

**GRANT APPLICATIONS READY FOR LOW-INCOME TAXPAYER CLINICS,
IRS LOOKS TO EXPAND LEGAL-ASSISTANCE PROGRAM**

WASHINGTON – In a step to expand legal assistance for taxpayers, the Internal Revenue Service announced Thursday that up to \$6 million in grants will be available to help low-income taxpayer clinics.

Organizations providing low-cost legal assistance to people in tax disputes can apply for IRS grants worth up to \$100,000 for fiscal year 2000. The IRS matching grant program encourages the creation and growth of low-income tax clinics across the nation.

“These clinics offer tax help to people who may have nowhere else to turn,” IRS Commissioner Charles O. Rossotti said.

The grant program represents an expansion of the Low-Income Taxpayer Clinic project, now in its second year. In fiscal year 1999, the IRS awarded nearly \$1.5 million in Low-Income Taxpayer Clinic grants to 34 groups across the nation. For fiscal year 2000, President Clinton and Congress approved up to \$6 million for qualified applicants.

Applications for Low-Income Taxpayer Clinic grants must be received by Nov. 26. Details about the grant program were published in Thursday’s Federal Register, and copies of the application package (Publication 3319) will be available soon on the IRS web site at www.irs.gov under the “What’s Hot” section.

Grants will be awarded early next year.

Qualifying tax clinics may be run by either law, business or accounting schools -- whose students represent taxpayers in tax disputes with the IRS or in the courts -- or by tax-exempt organizations.

These groups can represent taxpayers in tax-related matters, refer taxpayers to qualified representatives and provide non-English speaking taxpayers information about their tax rights and responsibilities. Clinics may charge taxpayers a small fee for legal help.

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The program allows the IRS to award organizations matching grants of up to \$100,000 a year to develop, expand or continue low-income taxpayer clinics.

The grant application process considers a variety of factors, including the clinic program's quality of service, the number of low-income taxpayers served and how many people in the clinic's service area use English as a second language.

The IRS has been helping low-income taxpayers for years through such programs as the Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE). More information about those programs is available by calling the IRS's toll-free help line at 1-800-829-1040.

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